

**DETERMINATION AND FINDINGS  
FOR AN EXTENSION TO THE  
SOLE SOURCE PROCUREMENT**

<b>CONTRACT NO:</b> DCHT-2012-C-0020
<b>CAPTION:</b> Third Party Liability (TPL) Recovery Services
<b>PROPOSED CONTRACTOR:</b> Health Management Systems (HMS)
<b>PROGRAM AGENCY:</b> Department of Health Care Finance (DCHF)
<b>AUTHORIZATION:</b> D.C. Official Code §2-354.04, 27 DCMR 1304 and 1700

1. **MINIMUM NEED:** The Department of Health Care seeking a Contractor to provide expert assistance to supplement and maximize its Third Party Liability (TPL) recovery efforts. Federal law, Section 1902(a)(25) of the Social Security Act, requires state Medicaid programs to ascertain the legal liability of third parties to pay for medical services furnished to a Medicaid recipient. States may elect to supplement their own activities with those of an independent contractor that has been competitively selected and who shall assist the state in this effort.

The Period of Performance (POP) for this Contract extension shall be from January 2, 2013 through May 1, 2014.

2. **ESTIMATED REASONABLE PRICE:**

The estimated fair and reasonable cost to provide the required services during the Contract extension shall be in the amount of Nine Hundred Sixty Thousand Dollars and zero cents (\$960,000.00). The estimated price has been determined to be fair and reasonable based on the fact that the rates for the Contract are the same as those paid by the District under the current Contract No. DCHT-2012-C-0020, prices determined to be fair at the time of the Contractor's award.

3. **FACTS WHICH JUSTIFY SOLE SOURCE PROCUREMENT:**

The District of Columbia has a need for Third Party Liability (TPL) Recovery Services. This need is unique to the District of Columbia because to not provide these services would seriously threaten the loan servicing services of DC residents, businesses and individuals working in the District.

1. A market survey was conducted and Health Management Services (HMS) was the only vendor that provided adequate responses.
2. A pre-proposal was held on November 20, 2013, for Third Party Liability (TPL) Recovery Services. Health Management Systems (HMS) and one (1) other vendor attended.
3. A solicitation was sent to 115 potential vendors to provide Third Party Liability (TPL) recovery services. Five (5) of the one hundred fifteen (115) responded that they "intended to participate", however only Health Management Systems (HMS) submitted a response.

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4. The District must ensure that there is a continuation of service with the expertise, infrastructure, and capacity that is being provided by Health Management Systems (HMS)
5. A new Solicitation for the long term requirement using Open Competition was issued on November 4, 2013, with a closing date of December 10, 2013. Only one Vendor responded to the request for Third Party Liability (TPL) recovery services. Solicitation Number DOC131813 is currently under review by the issuing Contracting Officer and the Procurement Review Committee. Upon completion, the new Competitive Procurement will be submitted for Legal Sufficiency.

Thereafter, the new Competitive Procurement will be submitted to the City Council for review and approval. Upon completion of the City Council review and approval, the Contract will be forwarded to the Contracting Officer for contract award. Until such time of the award of the new Contract, there is a need to extend the current Sole Source Contract, Contract Number: DCHT-2012-C-0020 for an additional sixty (120) days.

Award of the long term requirement will be made through the competitive process based upon Pre-Established criteria listed within the DOC131813 Solicitation.

**4. CERTIFICATION BY AGENCY DIRECTOR**

I hereby certify that the above findings are true, correct and complete to the best of my knowledge and belief.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Wayne Turnage, Director  
Department of Health Care Finance  
Development

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**5. CERTIFICATION FINDINGS AND DETERMINATION BY THE CONTRACTING OFFICER**

Based on the findings, I hereby determine Health Management Systems (HMS), shall be responsible and capable of satisfactorily completing the Third Party Liability (TPL) Recovery Services under the Proposed Sole Source Contract extension. It is further determine that the approval shall be in the best interest of the District and that the cost is fair and reasonable. I recommend that the Office of Contracting and Procurement (OCP) Chief Procurement Officer approves the use of the Sole Source Procurement method for this Proposed Sole Source Contract extension. I have reviewed the above findings and certify that they are sufficient to justify the use of the Sole Source method of procurement under the cited authority. I certify that the notice of intent to award an extension to the Sole Source Contract was published in accordance with Section 404(c) of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Official Code §2-354.04) and that no response was received. I recommend that the Chief Procurement Officer approve the use of the Sole Source Procurement method for this proposed Contract.

\_\_\_\_\_  
Date

\_\_\_\_\_  
O'Linda Fuller, MBA, CASA  
Contracting Officer,  
Office of Contracting and Procurement

**DETERMINATION**

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under either Section 303, 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code § 2-354.02, 2-354.03 or 2-354.04 Sec 404 (a)(b)(c) DCMR 1701.01, D.C. Law 18-371; ). Accordingly, I determine that the District is justified in Contracting with the using the Sole Source Method of Procurement.

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Date

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James D. Staton, Jr.  
Chief Procurement Officer, Office of  
Contracting and Procurement